

2.3.16 Energy Burden Definitions and Residential Energy Burdens, by Weatherization Eligibility and Year (1)

Energy burden is an important statistic for policy makers who are considering the need for energy assistance. Energy burden can be defined broadly as the burden placed on household incomes by the cost of energy, or more simply the ratio of energy expenditures to income for a household. However, there are different ways to compute energy burden, and different interpretations and uses of the energy burden statistics. DOE Weatherization primarily uses mean individual burden and mean group burden since these statistics provide data on how an "average" individual household fares against an "average" group of households (that is, how burdens are distributed for the population). DOE Weatherization (and HHS) also uses the median individual burden which shows the burden of a "typical" individual.

	1987	1990		FY 2000 (2)			FY 2005 (3)		
	Mean	Mean	Mean	Mean	Mdn	Mean	Mean	Mdn	Mean
	<u>Group</u>	<u>Indvdl</u>	<u>Group</u>	<u>Indvdl</u>	<u>Indvdl</u>	<u>Group</u>	<u>Indvdl</u>	<u>Indvdl</u>	<u>Group</u>
Total U.S. Households	4.0%	6.8%	3.2%	6.1%	3.5%	2.4%	6.8%	3.7%	2.9%
Federally Eligible	13.0%	14.4%	10.1%	12.1%	7.9%	7.7%	14.6%	8.6%	9.1%
Federally Ineligible	4.0%	3.5%	N.A.	3.0%	2.6%	2.0%	3.2%	2.8%	2.3%
Below 125% Poverty Line	13.0%	N.A.	N.A.	N.A.	N.A.	N.A.	20.2%	13.7%	12.8%

Note(s): 1) See Section 2.7.1 for more on low-income housing. 2) Data are derived from RECS 1997, adjusted to reflect FY 2000, HDD, CDD. 3) Data are derived from RECS 2001, adjusted to reflect FY 2005, HDD, CDD, and fuel prices.

Source(s): HHS, LIHEAP Home Energy Notebook for Fiscal Year 2005, May 2007, Tables A-2a, A-2b, and A-2c, p. 59-61 for FY 2005; HHS, LIHEAP Home Energy Notebook for FY 2000, April 2002, Tables A-2a, A-2b, and A-2c, p. 48-50 for FY 2000; HHS, LIHEAP Report to Congress FY 1995, Aug. 1997, p. 55 for energy burden definitions; HHS, Characterizing the Impact of Energy Expenditures on Low-Income Households: An Analysis of Alternative National Energy Burden Statistics, November 1994, p. vii-ix for burdens; ORNL, Scope of the of the Weatherization Assistance Program: Profile of the Population in Need, Mar. 1994, p. xii for mean individual and mean group burdens and p. xi for 1990 Federally ineligible mean individual burden; and EIA, Household Energy Consumption and Expenditures 1987, Oct. 1989, Table 13, p. 48-50 for 1987 mean group burdens.